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Financial reports and audited financial statements, and reports of the Board of Auditors

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Implementation of the recommendations of the Board of Auditors concerning United Nations peacekeeping operations for the financial period ended 30 June 2010

Report of the Secretary-General

Summary

The present report provides additional information in response to the recommendations of the Board of Auditors contained in its report on the United Nations peacekeeping operations for the period ended 30 June 2010 (A/65/5 (Vol. II)). The report is submitted in accordance with paragraph 7 of General Assembly resolution 48/216 B, in which the Secretary-General was requested to report to the Assembly, at the same time as the Board of Auditors submitted its recommendations to the Assembly, on measures taken or to be taken to implement those recommendations.

The Administration has concurred with most of the Board's recommendations, and many of the comments of the Secretary-General have been duly reflected in the report of the Board. Therefore, in an effort to reduce repetition and streamline documentation, the present report provides additional comments from the Administration only where required, as well as information on the status of implementation, the office responsible, the estimated completion date and the priority for each recommendation contained in the report of the Board. In addition, the present report contains updated information on the status of implementation of the recommendations of the Board relating to prior periods that were reported by the Board, in annex II to its report, as not having been fully implemented.

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I. Introduction

1. In paragraph 7 of its resolution 48/216 B, the General Assembly requested the Secretary-General to report to it on the measures that would be taken to implement the recommendations of the Board of Auditors at the same time as the report of the Board was submitted to the Assembly. Accordingly, the present report is submitted in response to the recommendations of the Board contained in its report on the accounts of the United Nations peacekeeping operations for the 12-month period ended 30 June 2010 (A/65/5 (Vol. II), chap. II).

2. In preparing the present report, account was taken of the provisions of the following General Assembly resolutions:

(a) Resolution 52/212 B (in particular paras. 2-5) and the note by the Secretary-General transmitting the proposals of the Board for improving the implementation of its recommendations approved by the Assembly (A/52/753, annex);

(b) Resolution 64/268, in which the Assembly requested the Secretary-General to continue to indicate an expected time frame for the implementation of the recommendations of the Board and the priorities for their implementation, including the office holders to be held accountable, and to provide a full explanation for delays in the implementation of all outstanding recommendations of the Board.

3. With regard to prioritization, the Administration noted that the Board had categorized 21 of the 59 recommendations as "main" recommendations. While all accepted recommendations of the Board will be implemented in a timely manner, these main recommendations will be considered to be of the highest priority. The Board has reported an improvement in the rate of implementation of recommendations made for 2008/09 (44 per cent) compared with the preceding year (40 per cent). Tables 1 and 2 summarize the status of implementation of newly issued recommendations as at 25 January 2011.

Table 1
Status of implementation of main recommendations

Department responsible	*Number of recommendations*	*Not accepted*	*Implemented*	*In progress*	*Target date set*	*No target date*
Department of Peacekeeping Operations and Department of Field Support	16	1	5	10	7	3
Department of Management and Department of Field Support	3	—	1	2	2	—
Department of Management	2	—	1	1	1	—
Total	**21**	**1**	**7**	**13**	**10**	**3**

4. As indicated in table 1, of the 21 main recommendations issued by the Board, implementation is in progress for 13 recommendations, 9 of which are targeted for implementation before the end of 2011, and one for implementation in June 2014. All three main recommendations for which no target date has been set pertain to ongoing activities.

Table 2
Status of implementation of all recommendations

Department responsible	*Number of recommendations*	*Not accepted*	*Implemented*	*In progress*	*Target date set*	*No target date*
Department of Peacekeeping Operations and Department of Field Support	44	1	16	27	23	4
Department of Management and Department of Field Support	5	—	1	4	4	—
Department of Management	3	—	2	1	1	
Office of Internal Oversight Services	7	—	2	5	1	4
Total	**59**	**1**	**21**	**37**	**29**	**8**

5. As indicated in table 2, of the 59 recommendations issued, implementation is in progress for 37 recommendations, of which 28 are targeted for implementation before the end of 2011 and one is due for implementation in June 2014. Of the eight recommendations for which no target date has been set, seven pertain to ongoing activities, and implementation of one recommendation depends on external factors.

6. It should be noted that the successful implementation of the Board's recommendations is dependent on how the recommendations are formulated. For example, the recommendation in paragraph 146 of the Board's previous report (A/64/5 (Vol. II), chap. II) that: "the Administration strengthen the management and control of expendable property" is neither specific nor measurable. Thus as there is no clearly distinguishable action or actions that can be undertaken to implement the recommendation, no target date can be set, and it is unclear when the recommendation will be closed. As can be seen from the above tables, nine recommendations are ongoing. The Administration will continue to discuss these recommendations with the Board, with a view to agreeing on the specific measures that need to be taken to achieve full implementation.

II. Specific issues of concern

7. The Secretary-General has noted the specific concerns expressed by the General Assembly in resolution 64/268 regarding: (a) expendable and non-expendable property; (b) the identification of root causes of recurring recommendations; and (c) accountability of managers for implementation of recommendations. The current status of action on these items is summarized below.

Expendable and non-expendable property

8. Responsibility for property management is assigned in the financial regulations and rules to the Under-Secretary-General for Management. Authority and responsibility has, in turn, been delegated to the Assistant Secretary-General for Central Support Services who, in the case of peacekeeping missions, has further delegated authority and responsibility to the Under-Secretary-General for Field Support. The Assistant Secretary-General for Central Support Services has been coordinating and monitoring action taken to address the concerns raised by the Board through a series of working groups that also take into account the need for future

compliance with the International Public Sector Accounting Standards (IPSAS). The Department of Field Support has vigorously addressed the specific problems highlighted in previous audits and has introduced key performance indicators and centralized monitoring to track progress. Other measures taken include:

(a) Issuance and implementation of the Property Management Manual, November 2006;

(b) Development of the Department of Field Support property management workplan and performance measurement system for property management (annual directives by the Under-Secretary-General for Field Support to all missions);

(c) Review of the regulatory framework for property management in order to streamline administrative procedures for write-off and assets transfers through a Department of Management/Department of Field Support working group;

(d) Consolidation of property management functions in 10 peacekeeping missions into property management sections;

(e) Completion of the codification of non-expendable property project, 2007;

(f) Initiation of a project for codification of expendable property;

(g) Introduction of barcode reading technology (ongoing);

(h) Issuance of Department of Field Support warehousing guidelines, 1 July 2009;

(i) Development of the guidelines on property disposal;

(j) Execution of a lean six sigma project to streamline Department of Field Support processes for assets disposal during mission liquidations;

(k) Establishment of the community of practice for property management (395 participants).

9. In each of the areas of concern raised in previous audits, significant improvements have been achieved. In particular:

(a) Physical property count: 14 out of 15 missions achieved greater than 90 per cent property count for non-expendable property compared to 8 out of 15 in 2007/08. In respect of expendable property, the property count has improved from 67 per cent in 2007/08 to 87 per cent in 2009/10;

(b) Discrepancy reconciliation of non-expendable property: 72 per cent of discrepancies detected in 2009/10 reconciled within the same reporting period, compared to 55 per cent in 2006/07;

(c) Write-off and disposal of non-expendable property: reduction in average time of disposal by commercial sale from 316 days in 2007/08 to 200 days in 2009/10 and reduction in average time for local property survey board review from 644 days in 2008/09 to 147 days in 2009/10.

10. In respect of the specific issues raised in the paragraphs under the heading of "other matters" in the audit opinion (A/65/5 (vol. II), chap. I), it should be noted that:

(a) In most of the 62,050 cases of discrepancies, the assets have been located and records are pending updating for details of location and the assigned user. This situation does not lead to any significant loss of accountability or control, nor is there any significant impact on the amounts shown in the financial statements;

(b) Of the total of $402 million of expendable property, the Department of Field Support estimates that more than 60 per cent are consumables which, under IPSAS, will be considered as consumed on acquisition and therefore will not form part of an inventory to be reported in the financial statements. Steps are also under way to prepare for disclosure in the financial statements once IPSAS is introduced.

Root causes of recurring recommendations

11. The root causes of most of the recurring audit recommendations, particularly those that highlight delays or non-compliance, include: high vacancy levels, obsolete systems, transition to new accounting standards, transition to new processes and procedures, interpretation of procedures and guidelines, and training issues. While immediate measures can be taken to ameliorate some of these, the root causes can only be fully addressed through longer-term measures, such as the replacement of current information technology systems with Umoja.

12. Further details of the measures being taken to address each of the reiterated/outstanding recommendations from previous periods are contained in part IV of the present report.

Accountability of managers

13. As can be seen in parts III and IV below, recommendations are assigned to the heads of the departments responsible for their implementation. In addition, priorities and time frames have been identified, and managers are required to explain, in the context of the present report, the actions being taken to implement the recommendations as well as the reasons for any delays. The Management Committee also follows up on outstanding recommendations. To support this follow-up, a review is undertaken of the explanations given, and, where necessary, programme managers are requested to expedite implementation and/or make adjustments to measures being taken.

III. Implementation of the recommendations contained in the report of the Board of Auditors

14. Set out below is the information requested by the General Assembly on the status of implementation of recommendations contained in the report of the Board of Auditors for the financial period ended 30 June 2010. As indicated in the summary of the present report, many of the Administration's comments have already been included in the Board's report; thus, additional comments are provided below only where the Board has not reflected the Administration's comments.

A. Unliquidated obligations

Creation of unliquidated obligations

15. **In paragraph 33, the Board reiterated its previous recommendation that the Administration require all missions to comply strictly with the Financial Regulations and Rules of the United Nations with respect to the criteria for the creation of obligations.**

16. The Department of Management issued 2010 year-end closing instructions to the missions specifying certain conditions under which to create obligations, to ensure that only valid obligations are created and retained in the accounts. The Department of Field Support separately followed up with detailed guidance to field missions and Headquarters cost centres to emphasize their responsibilities as certifying officers on the retention and cancellation of obligations. Emphasis was placed on the need to ensure that there is a clear binding commitment as well as reasonable certainty of delivery before an obligation is retained. It was also stressed that missions should review their budget priorities and identify obligations that are genuine expenses and financial liabilities of the United Nations, ensuring that remaining priorities do not exceed the funding allotted for the financial year. These directives to the missions were closely monitored and reviewed at Headquarters, resulting in adjustments to the obligations retained in the accounts for the period ending 30 June 2010.

17. Concerning the specific missions that were the basis of the recommendation, the African Union-United Nations Hybrid Operation in Darfur (UNAMID) advised that the incorrectly created obligations totalling $2.7 million were cancelled. The United Nations Mission in the Sudan (UNMIS) confirmed that it has cancelled incorrectly created obligations relating to two purchase orders in the amounts of $1.58 million and $1.32 million. Accordingly, the necessary adjustments were effected in the accounts of the two missions for the period ending 30 June 2010. Furthermore, in its interim report issued during the fourth quarter of 2010, the Board confirmed that the United Nations Mission in the Central African Republic and Chad (MINURCAT), the United Nations Interim Force in Lebanon (UNIFIL) and the United Nations Organization Stabilization Mission in the Democratic Republic of the Congo (MONUSCO) had implemented the recommendation.

Department responsible: Department of Management and Department of Field Support
Status: implemented
Priority: high
Target date: not applicable

B. Assessed contributions and other accounts receivables

Long-outstanding accounts receivable balances

18. **In paragraph 38, the Board recommended that the Office for Programme Planning, Budget and Accounts and the Department of Field Support: (a) require MONUSCO, the United Nations Mission in Liberia (UNMIL) and the United Nations Disengagement Observer Force (UNDOF) to intensify their efforts to recover all long-outstanding accounts receivable balances; and (b) assess the recoverability of long-outstanding balances and make the necessary adjusting entries in the accounts.**

19. The Administration's comments on the recommendation are reflected in paragraphs 39 and 40 of the Board's report. In addition, it should be noted that the Department of Management will monitor long-outstanding receivables, and, if required, make the appropriate adjustments to the accounts, in conjunction with the missions.

Department responsible: Department of Management and Department of Field Support
Status: in progress
Priority: medium
Target date: second quarter of 2011

C. Support account

Studies on the support account

20. **In paragraph 59, the Board recommended that the Office for Programme Planning, Budget and Accounts and the Department of Peacekeeping Operations: (a) draw on lessons learned from the two previous studies on the support account to ensure that the proposed new study adequately addresses the development of a staffing model for the support account; and (b) carefully monitor the execution of the contract to ensure that the consultants satisfactorily deliver the outputs based on the terms of reference of the contract and to avoid further delay.**

21. The Administration's comments on the recommendation are reflected in paragraph 60 of the Board's report.

Department responsible: Department of Management
Status: in progress
Priority: high
Target date: first quarter of 2011

Board evaluation of the support account

22. **In paragraph 77, the Board recommended that the Office for Programme Planning, Budget and Accounts, the Department of Peacekeeping Operations and the Department of Field Support: (a) develop clear and specific criteria for posts to be funded by the support account for backstopping peacekeeping operations; and (b) require various departments that have posts funded by the support account to keep all supporting documents necessary to facilitate the evaluation of those posts and related activities.**

23. The Administration's comments on the recommendation are reflected in paragraphs 78 and 79 of the Board's report.

Department responsible: Department of Peacekeeping Operations and Department of Field Support
Status: implemented
Priority: high
Target date: not applicable

D. Budgeting, including results-based budgeting

Results-based budgeting: indicators of achievement and outputs

24. **In paragraph 84, the Department of Field Support agreed with the Board's recommendation that all missions improve the results-based budgeting**

formulation process by providing training to staff concerned on a regular basis, for example, through distance teaching or other practical alternatives.

25. The Administration's comments on the recommendation are reflected in paragraph 85 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: third quarter of 2011

Results-based budgeting: in-year monitoring of progress and performance

26. **In paragraph 93, the Board recommended that the Department of Peacekeeping Operations, in collaboration with the Department of Field Support, take measures to ensure that all missions regularly collect, review, compile and report the results-based-budgeting data for internal management purposes.**

27. The Administration's comments on the recommendation are reflected in paragraph 94 of the Board's report.

Department responsible: Department of Peacekeeping Operations and Department of Field Support
Status: in progress
Priority: high
Target date: third quarter of 2011

Other aspects of budgeting: aviation and vehicle budgets

28. **In paragraph 98, the Board recommended that the Department of Field Support require: (a) UNMIT to consider the reasonableness of its budget assumptions when preparing the budget for aviation; and (b) UNAMID to take into account donated vehicles when developing its vehicle budget.**

29. The Administration's comments on the recommendation are reflected in paragraph 99 of the Board's report.

Department responsible: Department of Field Support
Status: implemented
Priority: high
Target date: not applicable

Implementation of the budget for quick-impact projects

30. **In paragraph 102, the Board recommended that the Department of Field Support require all missions to improve the rate of implementation of quick-impact projects.**

31. The Administration's comments on the recommendation are reflected in paragraph 103 of the Board's report.

Department responsible: Department of Peacekeeping Operations and Department of Field Support
Status: in progress
Priority: medium
Target date: second quarter of 2011

E. Exit strategy of the United Nations Mission in the Central African Republic and Chad

Disclosures in the financial statements on the completion of the United Nations Mission in the Central African Republic and Chad

32. **In paragraph 109, the Board recommended that in future, once the Security Council has approved the completion of a mission, the Administration record the closure of the mission in the financial statements, disclosing the best estimate of the financial impact.**

33. The Administration's comments are adequately reflected in paragraph 110 of the Board's report. The Administration will apply the policy when there is such a decision of the Security Council in the future.

Department responsible: Department of Management
Status: implemented
Priority: medium
Target date: not applicable

Monitoring delivery of the drawdown and liquidation plans

34. **In paragraph 112, the Board recommended that the Department of Field Support perform an assessment to identify and document the significant risks to the delivery of the drawdown and liquidation plans. Those risks should then be subjected to review by senior management on a weekly basis.**

35. The Administration's comments on the recommendation are reflected in paragraph 113 of the Board's report.

Department responsible: Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

Post-implementation review

36. **In paragraph 119, the Board recommended that the Department of Field Support conduct a thorough post-implementation and lessons-learned review of the drawdown and liquidation plans for MINURCAT. The key lessons should be utilized to revise the liquidation guidance, if necessary, and to create clear guidance for the development and implementation of a drawdown plan to protect the substantive operations of closing missions and to facilitate orderly withdrawal.**

37. The Administration's comments on the recommendation are reflected in paragraph 120 of the Board's report.

Department responsible: Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

F. Non-expendable property

Physical verification and reconciliation of discrepancies

38. **In paragraph 130, the Board recommended that the Department of Field Support require all missions: (a) to carry out full and complete physical verifications of non-expendable property; (b) to make every effort to ascertain the reasons why assets have not been located; and (c) to expedite the process of discrepancy reconciliation to ensure that the data relating to non-expendable property are accurate.**

39. The Administration acknowledges the Board's recognition of the actions it has taken to strengthen the management of non-expendable property in order to address the Board's previously raised concerns. The Administration reiterates that these measures are successfully addressing the identified deficiencies and that performance results in the discipline of property management over the last four years are indicating a positive trend globally. As confirmed by the Board, the key performance indicator established by the Administration is a target of 100 per cent. Given the operational and security conditions on the ground, a risk tolerance rate of 10 per cent has been established as an acceptable variation from the target. Based on the above explanation, the Administration does not agree with the Board's recommendation for full and complete physical verification of non-expendable property. Mission-specific comments by the Department of Field Support on the recommendation are reflected in paragraph 132 of the Board's report.

40. With regard to discrepancy identification and reconciliation, as referred to in paragraphs (b) and (c) of the recommendation, the Department's performance measurement system incorporates three specific key performance indicators. The Department has repeatedly reminded field missions to adhere to instructions for daily recording of property status and for continuous use of corporate business intelligence reports, which facilitate the detection and reconciliation of discrepancies. Field missions have introduced a standard practice whereby the Property Control and Inventory Unit prepares monthly discrepancy reports and submits them to the self-accounting units for reconciliation action. MONUSCO promulgated a standard operating procedure on the reconciliation of discrepancies that has been adopted by all field missions. Its use is enforced at the departmental level, through the issuance of the Department's workplan on property management for the financial period ending 30 June 2011. The Department's introduction of the automatic barcode reading technology during the financial period ending 30 June 2011 will expedite the reconciliation of discrepancies.

Department responsible: Department of Field Support
Status: paragraph (a) not accepted; paragraphs (b) and (c) in progress
Priority: high
Target date: paragraph (a) not applicable; paragraphs (b) and (c) second quarter of 2011

Segregation of duties

41. **In paragraph 134, the Board recommended that the Department of Field Support require all missions to have in place proper segregation of duties relating to non-expendable property to ensure that items are not approved,**

issued and received from stock by the same person, or consider mitigating controls where segregation of duties is not feasible.

42. The Administration's comments on the recommendation are reflected in paragraph 135 of the Board's report. Further, full segregation of duties is dependent on the availability of additional resources.

Department responsible: Department of Field Support
Status: implemented
Priority: high
Target date: not applicable

Lead time in the write-off and disposal of assets

43. **In paragraph 138, the Board reiterated its previous recommendation that the Administration strengthen its monitoring of the write-off and disposal of non-expendable property at missions to ensure that appropriate measures are taken to expedite all pending write-offs and disposals.**

44. The Administration has identified the key causes of delays in the processes of write-off and disposal of assets, which, in many instances, relate to: inadequate capacity to perform a proactive asset disposal function at the initial stages of a mission's life cycle; lack of property management specialists; difficulties in establishing a robust commercial sales regime associated with the length of procurement process; and unfavourable local market conditions. In the last three years, the Administration has addressed these issues in its annual directives on property management issued to field missions and is monitoring actions taken to expedite the asset disposal process through key performance indicators in the property measurement performance system of the Department of Field Support.

45. The Administration's analysis of performance for the financial period ending 30 June 2010 shows that field missions have taken action to reprioritize their activities, while reducing the time frame for the disposal of assets. The Administration has established property disposal units in the majority of field missions as part of the property management sections. The senior management of field missions is more actively involved in negotiating with host Governments for local disposal of written-off assets. Furthermore, the Department of Management, in December 2010, issued procedural changes to the current delegation of authority for property management that will streamline the write-off approval process and will result in efficiency gains. The additional comments of the Administration on the recommendation are reflected in paragraphs 139 and 140 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: ongoing

Receiving and inspection

46. **In paragraph 142, the Department of Field Support agreed with the Board's recommendation that UNAMID be required to conduct its receiving and inspection procedures in a timely manner when receiving assets and to record all the required information in the Galileo system.**

47. The comments of the Department of Field Support on the recommendation are reflected in paragraph 143 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: third quarter of 2011

Stock ratio and surplus

48. **In paragraph 147, the Department of Field Support agreed with the Board's recommendation that all missions be required to: (a) establish appropriate stock ratios for all categories of property based on mission-specific circumstances; and (b) regularly review their non-expendable property to ensure compliance with the established stock ratios and to avoid situations in which items are held in stock for unduly long periods.**

49. The Department of Field Support, in its annual directive on property management, reminded the field missions to constantly review their non-expendable property holdings to ensure that realistic quantities are being held, and to declare redundant assets as "surplus" in the Galileo system. The Administration reiterates that its stock ratios are not to be interpreted as maximum allowed stock levels, but rather as guidance on the level of stock deemed acceptable for a certain category of asset. However, missions are to justify any deviation from the ratios based on mission-specific circumstances, such as, a lack of control on procurement lead time and the reliability of suppliers; the need to maintain reserves for projects shifted in time; or mitigation of the impact of external factors, for instance, a change in the security conditions, delayed deployment of troops, mission drawdown or liquidation at short notice. In its workplan for the reporting period ending 30 June 2011, the Department modified the indicators of performance to separate surplus from overstock. The additional comments of the Administration are reflected in paragraph 148 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: third quarter of 2011

G. Expendable property

Non-disclosure in the financial statements

50. **In paragraph 154, the Board reiterated its previous recommendation that the Department of Field Support and the Office for Programme Planning, Budget and Accounts expedite their preparations for the disclosure of expendable property in the financial statements, and/or in the notes thereto.**

51. It is recalled that in the Board's previous report (A/64/5 (Vol. II), para. 139), the Administration stated that disclosure of expendable property required considerable administrative resources in order to attain, maintain and validate underlying data. The Administration has committed to overcoming data limitations by June 2014, as it prepares for the new enterprise resource planning system and the implementation of International Public Sector Accounting Standards. As such,

achieving sufficient reliability of expendable property data for disclosure in the financial statements is necessarily a multi-year effort. As part of that effort, during the fiscal year 2010, the Administration took further actions to improve the reliability of expendable property data, some of which are mentioned in paragraph 150 of the Board's report. These efforts will be intensified in the coming years, so that reliable data for disclosure in the notes to the financial statements becomes available as soon as possible, and if feasible, even in advance of IPSAS implementation in June 2014.

52. As such, the Administration considers that, as previously committed, it is on target to disclose expendable property values in time for inclusion in the June 2014 financial statements at the latest, and therefore does not agree with the "not implemented" status of this recommendation, as stated in paragraph 14 and annex II of the Board's report. The Administration considers that this recommendation from last year is more appropriately classified as under implementation, in view of the progress made to date and the June 2014 target implementation date.

53. In addition, it should be noted that the property management business and reporting processes of the Department of Field Support are built to strictly comply with United Nations Financial Regulations and Rules, the administrative instruction on property records and inventory control under revised definition of non-expendable property dated 16 January 1992 (ST/AI/374) and financial reporting requirements under the United Nations system accounting standards. The Administration emphasizes that according to ST/AI/374, there is no requirement to maintain property records and controls except at the discretion of the head of office or department and for special items.

54. Nevertheless, in the Department of Field Support directive for the financial period ending 30 June 2011, missions are requested to ensure that the management practices and property controls over expendable property are strictly enforced in accordance with the Property Management Manual and the Department of Field Support warehousing guidelines, including proper storage and physical security of storage facilities, identification of material stored and issued to the users, and regular stock taking. The Department is taking action to strengthen the management of expendable property, including the project entitled "Strengthening mission inventory management through the establishment for a centrally supervised catalogue of expendable property" (see A/65/5 (Vol. II), para. 150), which is designed to ensure that accurate records of expendable property will be in place for disclosure in the financial statements in preparation for the introduction of IPSAS.

Department responsible: Department of Peacekeeping Operations and Department of Field Support
Status: in progress
Priority: high
Target date: second quarter of 2014

Physical count and discrepancy reconciliation

55. **In paragraph 159, the Department of Field Support agreed with the Board's reiterated recommendation that the Administration strengthen the management and control of expendable property by ensuring that accurate records are maintained, physical counts are periodically conducted,**

discrepancies are promptly investigated and corrective actions are promptly taken.

56. The Administration's comments on the recommendation are reflected in paragraph 154 of the Board's report. Furthermore, UNMIK has established procedures for monitoring the expendable property count, as well as a control mechanism to detect and resolve discrepancies in a timely manner. The additional comments of the Department of Field Support are reflected in paragraph 160 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: ongoing

Stock level and slow moving assets

57. **In paragraph 163, the Board recommended that the Department of Field Support require that all missions establish comprehensive stock level policies and take appropriate action with regard to slow-moving stock.**

58. The Department of Field Support reminded all missions, in its directive for the financial period ending 30 June 2011, to implement minimum and maximum inventory level control and use the order alert functionality in the Galileo Inventory Management System. In addition, best practices/procedures in the management of expendable property were disseminated through the community of practice for property management, such as the UNMIL guidelines entitled "six action points on expendables" and the UNIFIL standard operating procedures on prevention of theft and losses from warehouses. The additional comments of the Administration are reflected in paragraph 164 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: third quarter of 2011

H. Strategic deployment stocks

Rotation of strategic deployment stocks

59. **In paragraph 167, the Board recommended that the Department of Field Support, in collaboration with UNLB, require that all missions take existing strategic deployment stocks into consideration in their procurement plans to reduce duplication of procurement of identical or similar model strategic deployment stock assets.**

60. The Administration's comments on the recommendation are reflected in paragraph 168 of the Board's report.

Department responsible: Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

I. Contingent-owned equipment

Inspection coverage and management

61. **In paragraph 170, the Board recommended that the Department of Field Support, in collaboration with the United Nations Stabilization Mission in Haiti (MINUSTAH), expedite the appointment of additional personnel to undertake all inspection of contingent-owned equipment.**

62. The Administration's comments on the recommendation are reflected in paragraph 171 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: second quarter of 2011

63. **In paragraph 173, the Board recommended that the Department of Field Support require that UNMIS prepare verification reports on contingent-owned equipment only after physical inspections have been carried out.**

64. The Administration's comments on the recommendation are reflected in paragraph 174 of the Board's report.

Department responsible: Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

Major equipment not provided in accordance with the memorandum of understanding

65. **In paragraph 176, the Board recommended that the Department of Field Support take appropriate measures to ensure that the troop-contributing countries comply with the requirements of the memorandums of understanding concerning the provision of contingent-owned equipment.**

66. The Administration's comments on the recommendation are reflected in paragraph 177 of the Board's report.

Department responsible: Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

J. Procurement and contract management

Short bidding time frame

67. **In paragraph 181, the Board recommended that the Department of Field Support require that all missions allow adequate time for vendors to submit their bids, as provided for in the Procurement Manual, or justify the short time frame provided.**

68. Reference is made to the comments of the Administration in paragraphs 153 to 157 below.

69. In addition, the Administration reiterates that the typical timelines given in the United Nations Procurement Manual are recommendations intended to guide the requisitioners in forecasting their needs and estimating the approximate lead time for conclusion of a solicitation by the Procurement Section. Moreover, the experience of the Department of Field Support over the years has shown that, owing to challenging environments and limited capacity, the extension of timelines has not resulted in an increase in the number or quality of bids received. Nevertheless, timelines are given to vendors on a case-by-case basis in accordance with the commodity or service required. However, with the relatively improved security conditions at some of the missions, more vendors are expressing interest in doing business with those missions, which has translated into overall improvement in the quality of bids being received.

Department responsible: Department of Field Support
Status: not accepted
Priority: high
Target date: not applicable

Acceptance of bids after the closing time

70. **In paragraph 185, the Board recommended that the Department of Field Support require UNAMID to: (a) establish clear, practical and uniform criteria for accepting or rejecting late bids; and (b) conduct tender opening procedures in accordance with Department guidelines, and, when necessary, record in the tender opening documentation the justification for accepting late proposals.**

71. The Administration's comments on the recommendation are reflected in paragraph 186 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: third quarter 2011

Vendor performance evaluation

72. **In paragraph 188, the Board recommended that the Department of Field Support require the United Nations Integrated Mission in Timor-Leste (UNMIT) and the United Nations Interim Force in Lebanon (UNIFIL) to establish vendor performance evaluation processes in compliance with the Procurement Manual and document the justifications for retaining negatively rated vendors.**

73. The Administration's comments on the recommendation are reflected in paragraph 189 of the Board's report.

Department responsible: Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

Headquarters Committee on Contracts/local committee on contracts

74. **In paragraph 192, the Board recommended that: (a) the Administration establish a mechanism to track the implementation of Headquarters Committee on Contracts recommendations and take appropriate action in a timely manner when concerns are raised; and (b) the Department of Field Support require that the local committee on contracts for the United Nations Operation in Côte d'Ivoire (UNOCI) take similar measures.**

75. The Administration's comments on the recommendation are reflected in paragraphs 193 and 194 of the Board's report.

Department responsible: Department of Peacekeeping Operations and Department of Field Support
Status: in progress
Priority: high
Target date: second quarter of 2011

Liquidated damages

76. **In paragraph 197, the Board recommended that the Department of Field Support require UNAMID and UNMIL to establish a robust process, where appropriate, for claiming liquidated damages in a timely manner.**

77. The Administration's comments on the recommendation are reflected in paragraph 198 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: second quarter of 2011

Contract management

78. **In paragraph 200, the Department of Field Support agreed with the Board's recommendation that UNMIT and MONUSCO should be required to have formalized contracts in place for the supply of all goods or services by third parties.**

79. The Administration's comments on the recommendation are reflected in paragraph 201 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: full implementation is dependent on external factors

Ex post facto cases

80. **In paragraph 207, the Board recommended that the Department of Field Support, in coordination with the Procurement Division: (a) endeavour to reduce the number of ex post facto cases; and (b) require that MONUSCO and UNOCI maintain a record of and monitor all such cases.**

81. The Administration's comments on the recommendation are reflected in paragraphs 208 to 210 of the Board's report. Reference is also made to the

comments of the Administration in paragraphs 163 to 167 below. Furthermore, MONUSCO now maintain logs of all ex post facto cases to facilitate their effective monitoring.

Department responsible: Department of Management and Department of Field Support
Status: in progress
Priority: medium
Target date: second quarter of 2011

82. **In paragraph 213, the Board recommends that the Department of Field Support request the services of the Office of Internal Oversight Services (OIOS) for the conduct of a thorough review of the awarding of the two contracts for the construction of the mission subsistence allowance accommodation and the headquarters office accommodation, given the scope of the contract and the risks involved.**

83. The Administration's comments on the recommendation are reflected in paragraphs 186 and 215 of the Board's report.

Department responsible: Department of Field Support
Status: implemented
Priority: high
Target date: not applicable

84. **In paragraph 214, the Board also recommended that the Department of Field Support emphasize the need for UNAMID to strictly comply with the requirements set out in the Procurement Manual with regard to the solicitation and evaluation of bids.**

85. The Administration's comments on the recommendation are reflected in paragraph 186 of the Board's report.

Department responsible: Department of Field Support
Status: implemented
Priority: high
Target date: not applicable

K. Human resources management

Vacancy rate

86. **In paragraph 219, the Board recommended that the Department of Field Support conduct a review on long-vacant posts to determine whether they are still needed and take appropriate action, as necessary.**

87. The Administration's comments on the recommendation are reflected in paragraph 220 of the Board's report.

Department responsible: Department of Field Support
Status: implemented
Priority: high
Target date: not applicable

Recruitment lead times

88. **In paragraph 222, the Board reiterated its previous recommendation that the Department of Field Support take appropriate measures to reduce recruitment lead times for needed vacant posts.**

89. The Administration's comments on the recommendation are reflected in paragraphs 223 and 224 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: ongoing

Lead times for post classification

90. **In paragraph 227, the Board reiterated its previous recommendation that the Department of Field Support: (a) expedite all requests for the classification and reclassification of posts; and (b) consider measures to automate the post classification process.**

91. The Administration's comments on the recommendation are reflected in paragraph 228 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: third quarter of 2011

Performance appraisal system

92. **In paragraph 232, the Department of Field Support agreed with the Board's reiterated recommendation that all missions implement procedures to ensure that performance appraisals are completed and signed in a timely manner.**

93. The Administration's comments on the recommendation are reflected in paragraph 235 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: third quarter of 2011

94. **In paragraph 233, the Board also recommended that the Department of Field Support ensure that UNAMID and UNLB adhere strictly to the administrative instruction and the human resources handbook by awarding step increments and contract extensions to staff members against their performance appraisals.**

95. The Administration's comments on the recommendation are reflected in paragraph 234 of the Board's report. Furthermore, in accordance with the current policy, management may only deny salary increment and/or contract extension in the case of an unsatisfactory performance rating.

Department responsible: Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

L. Air operations

Air operations resource utilization

96. **In paragraph 244, the Board recommended that the Department of Field Support require all missions to analyse the factors leading to the underutilization of aircraft and take appropriate action to enhance the efficiency and cost-effectiveness of aircraft utilization.**

97. The comments of the Department of Field Support on the recommendation are reflected in paragraph 245 of the Board's report. With respect to the number of fixed-wing aircraft in UNMIT, the Department clarifies that two fixed-wing aircraft are necessary to maintain an aero-medical evacuation capability during planned or unscheduled maintenance of one aircraft. At UNMIT, there is no readily available commercial option to meet its requirement for medical evacuation capability, which is indispensable for the safety and well-being of staff. The underutilization of the capacity of the UNMIT fleet, which was cited by the Board, did not take into consideration the specialized use of the aircraft for operational reasons, such as medical evacuations. Aircraft employed for special flights for medical or casualty evacuations should be considered 100 per cent utilized, regardless of the number of passengers that actually travel on the flight. A dedicated medical evacuation flight may only carry two passengers, such as the patient and attending physician, but is nonetheless fully utilized.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: third quarter of 2011

Recovery of flight costs shared by other United Nations organizations

98. **In paragraph 247, the Department of Field Support agreed with the Board's recommendation that the MINURCAT Technical Compliance Unit should follow up with regard to the estimated $1.5 million in unrecovered costs for aviation services provided to United Nations missions, agencies and other bodies in 2009/10 with a view to achieving full reimbursement.**

99. The Administration's comments on the recommendation are reflected in paragraph 248 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: first quarter of 2011

Air operations data management

100. **In paragraph 250, the Department of Field Support agreed with the Board's recommendation that the Air Transport Section be required to: (a) strengthen its data monitoring systems to ensure the completeness and accuracy of aviation data; and (b) enhance its analysis of the utilization of budgeted flight hours to identify the scope for achieving improved efficiency in air transport.**

101. The Administration's comments on the recommendation are reflected in paragraph 251 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: fourth quarter of 2011

Special flights

102. **In paragraph 253, the Board recommended that the Department of Field Support require that MONUSCO: (a) implement adequate planning to avoid a high number of special flights; (b) implement and comply with the requirements of standard operating procedures for the processing of special flight requests; and (c) expedite, in consultation with United Nations Headquarters, the approval and implementation of the standard operating procedures on emergency or late booking requests.**

103. The Administration's comments on the recommendation are reflected in paragraph 254 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: second quarter of 2011

M. Vehicle fleet management

Vehicles donated and handed over

104. **In paragraph 258, the Department of Field Support agreed with the Board's recommendation that UNAMID be required to: (a) carry out an investigation into the donated vehicles, especially those that had not been located, and take appropriate measures on the basis of the results of the investigation to verify their existence; and (b) record the donated vehicles in the Galileo system and manage them under the same terms and conditions as the United Nations-owned vehicles.**

105. Although the vehicles donated by the African Union Mission in the Sudan to UNAMID were not recorded in the Galileo system, the Mission had created a temporary database to keep track of these vehicles until the required documentation covering the donated vehicles was processed. The additional comments of the Department of Field Support are reflected in paragraph 259 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: second quarter of 2011

Vehicle entitlement

106. **In paragraph 262, the Board also recommended that the Department of Field Support require that UNMIT: (a) comply with the Standard Ratio and Cost Manual with regard to vehicle establishment; and (b) provide documented justifications for any deviations from the Manual.**

107. The Administration's comments on the recommendation are reflected in paragraph 263 of the Board's report.

Department responsible: Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

Cannibalization and maintenance of vehicles

108. **In paragraph 266, the Board recommended that the Department of Field Support require: (a) that MONUSCO maintain inventory levels for spare parts for vehicles, which will obviate the need for cannibalization; and (b) that MONUSCO and MINUSTAH regularly monitor the cost of maintaining vehicles under their control and keep documentary evidence of the cost/benefit analysis used to support the continued use of vehicles reaching their replacement or write-off period.**

109. The Administration's comments on the recommendation are reflected in paragraphs 267 and 268 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: first quarter of 2011

Liberty usage

110. **In paragraph 270, the Board recommended that the Department of Field Support require all missions to monitor the use of vehicles and record all liberty usage on a consistent basis, and to recover the related charges from the staff members concerned.**

111. The Administration's comments on the recommendation are reflected in paragraph 271 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: first quarter of 2011

N. Fuel management

Fuel and related cost recovery

112. **In paragraph 274, the Department of Field Support agreed with the Board's recommendation that UNMIL be required to: (a) introduce mechanisms to monitor electricity usage and to bill residences for such usage; and (b) comply strictly with the requirements of UNMIL information circular No. 2006/07 on billing for the use of electricity by staff residents.**

113. The Administration's comments on the recommendation are reflected in paragraph 276 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: first quarter of 2011

114. **In paragraph 275, the Board reiterated its previous recommendation that the Department of Field Support require UNMIL to perform regular follow-up with air operators on outstanding balances relating to recoverable fuel costs.**

115. The Administration's comments on the recommendation are reflected in paragraph 277 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: second quarter of 2011

O. Rations management

Claims for discount

116. **In paragraph 279, the Department of Field Support agreed with the Board's recommendation that UNAMID be required to: (a) claim the discount entitlements for rations for the fifth and sixth periods of 2010; and (b) monitor actual troop strength in order to secure the rations discount in accordance with the rations contract.**

117. The Administration's comments on the recommendation are reflected in paragraph 280 of the Board's report.

Department responsible: Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

Rations reserve stocks

118. **In paragraph 283, the Department of Field Support agreed with the Board's recommendation that UNMIT and MONUSCO be required to maintain adequate rations reserve stocks at all times, as required.**

119. The Administration's comments on the recommendation are reflected in paragraph 284 of the Board's report.

Department responsible: Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

P. Information and communications technology

Access control

120. **In paragraph 286, the Department of Field Support agreed with the Board's recommendation that all missions be required to establish and implement strict access control policies, including a password policy and a policy prohibiting unauthorized software.**

121. The Administration's comments on the recommendation are reflected in paragraph 287 of the Board's report.

Department responsible: Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

Disaster recovery and business continuity

122. **In paragraph 289, the Department of Field Support agreed with the Board's recommendation that the United Nations Peacekeeping Force in Cyprus (UNFICYP) and the United Nations Support Office for the African Union Mission in Somalia (UNSOA) be required to establish a comprehensive disaster recovery and business continuity plan.**

123. The Administration's comments on the recommendation are reflected in paragraph 290 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: second quarter of 2011

124. **In paragraph 292, the Board recommended that the Department of Field Support require that MINUSTAH and UNSOA establish and maintain an information technology environment with adequate security protection.**

125. The Administration's comments on the recommendation are reflected in paragraph 293 of the Board's report.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: second quarter of 2011

Q. Internal audit function

Implementation of the audit workplan

126. **In paragraph 296, the Board reiterated its previous recommendation that OIOS continue to closely monitor the workplans of the Resident Auditors to ensure that audits are conducted and finalized in a timely manner.**

127. The comments of the Administration on this recommendation are reflected in paragraph 297 of the Board's report.

Department responsible: Office of Internal Oversight Services
Status: implemented
Priority: medium
Target date: not applicable

Lead times for the issuance of internal audit reports

128. **In paragraph 299, the Board reiterated its previous recommendation that OIOS ensure that the resident audit offices observe the deadline for issuing audit reports or amend the estimated completion dates, if necessary.**

129. The Administration's comments on this recommendation are reflected in paragraph 300 of the Board's report.

Department responsible: Office of Internal Oversight Services
Status: implemented
Priority: medium
Target date: not applicable

R. The placement and distribution of the investigative capacity of the Office of Internal Oversight Services

Availability of appropriate management information with respect to OIOS investigation

130. **In paragraph 309, OIOS agreed with the Board's recommendation that the Investigations Division collect data on the cost, length and outcomes of its investigations and use that information to support improved and evidence-based decision-making, for example, monitoring costs against outputs so that investigators based in different locations can identify cost variations and promote efficient practice.**

131. The Administration's comments on this recommendation are reflected in paragraph 310 of the Board's report.

Department responsible: Office of Internal Oversight Services
Status: in progress
Priority: medium
Target date: ongoing

132. **In paragraph 313, the Board recommended that OIOS urgently establish the baseline and criteria for the pilot evaluation and mechanisms to gather the necessary data to report against the agreed evaluative criteria.**

Department responsible: Office of Internal Oversight Services
Status: in progress
Priority: medium
Target date: third quarter of 2011

OIOS Investigations Division's case for moving from a resident to a hub structure

133. **In paragraph 323, OIOS agreed with the Board's recommendation that enhanced training be provided for relevant mission staff, both where they are required to conduct the initial collection of evidence for an investigation and where they are required to conduct an entire investigation, in order to mitigate the risks to quality associated with a reduced mission presence, in particular, because mission-based staff may not have the skills and experience to conduct, in accordance with an appropriate standard, the investigations referred to them.**

134. The Administration's comments on this recommendation are reflected in paragraph 324 of the Board's report.

Department responsible: Office of Internal Oversight Services
Status: in progress
Priority: medium
Target date: ongoing

The extent of redeployment in practice

135. **In paragraph 332, the Board notes that, given the importance of an effective investigation function in managing risks to the United Nations, there may be a good case for reconsidering how the vacancy situation might be addressed. The Board therefore recommended that OIOS work with the Office of Human Resources Management to address the problems related to vacancies in investigator positions. This may include not only revisiting vacancy notices to assess the appropriateness of required qualifications and experience, but also adopting more innovative approaches such as building a roster of pre-approved investigators who can be deployed on short-term contracts to address fluctuations in workload, as well as employing a policy of rotating staff among various locations to help attract and retain staff.**

136. The Administration's comments on this recommendation are reflected in paragraph 333 of the Board's report.

Department responsible: Office of Internal Oversight Services
Status: in progress
Priority: medium
Target date: ongoing

Alignment of investigative resources to caseload

137. **In paragraph 337, OIOS agreed with the Board's recommendation that the appropriate level of resources required for its investigation work and their most cost-effective deployments be determined, taking into consideration cost, quality, length, outcome, risk and the geographical distribution of workload. Any proposed change in resource deployment should be based on a full**

cost/benefit analysis based on relevant and reliable management information, and should also involve full consultation and communication with all stakeholders, including field mission management.

Department responsible: Office of Internal Oversight Services
Status: in progress
Priority: medium
Target date: ongoing

IV. Implementation of the recommendations contained in the report of the Board of Auditors concerning United Nations peacekeeping operations for prior financial periods

138. In paragraph 13 of General Assembly resolution 64/268, the Secretary-General was requested to provide, in future reports on the implementation of the recommendations of the Board of Auditors concerning the United Nations peacekeeping operations, a full explanation for delays in implementation of all outstanding recommendations of the Board.

139. In annex II to its report for the period ended 30 June 2010 (A/65/5 (Vol. II), chap. II), the Board provided a summary of the status of implementation of recommendations for previous financial periods. Information is provided below on the 47 recommendations listed in annex II as outstanding from prior periods, 45 of which are shown as "under implementation" and 2 as "not implemented". The information is set out in the order in which the recommendations are presented in the report of the Board of Auditors for the period ended 30 June 2009 (A/64/5 (Vol. II)). A total of 86 recommendations were made in that report, of which 55 had been implemented as of the date of issuance of the present report.

140. Table 3 below provides a more detailed analysis of the responsible departments with target dates for recommendations for which implementation is in progress.

Table 3
Status of implementation of outstanding previous recommendations as at 30 June 2010

Department responsible	*Number of recommendations*	*Not accepted*	*Implemented*	*In progress*	*Target date set*	*No target date*
Department of Peacekeeping Operations and Department of Field Support	38	—	9	29	20	9
Department of Management and Department of Field Support	6	1	5	—	—	—
Department of Management	1	—	—	1	1	—
Office of Internal Oversight Services	2	—	2	—	—	—
Total	**47**	**1**	**16**	**30**	**21**	**9**

141. It should be noted that, of the 30 recommendations in progress, 20 are targeted for implementation before the end of 2011 and 1 before end of June 2014. Of the

nine recommendations without a target date, seven are ongoing and the full implementation of the remaining two is dependent on factors that are beyond the control of the Administration.

A. Unliquidated obligations

Creation of unliquidated obligations

142. **In paragraph 33, the Board reiterated its previous recommendation that the Administration ensure that all missions comply strictly with the Financial Regulations and Rules of the United Nations relating to the criteria for the creation and cancellation of obligations.**

143. **Reference is made to the Administration's comments in paragraphs 16 and 17 above.**

Department responsible: Department of Management and Department of Field Support
Status: implemented
Priority: high
Target date: not applicable

B. Liabilities and receivables

End-of-service liabilities

144. **In paragraph 36, the Board reiterated its recommendation that the Administration ensure that all attendance and leave records are accurately maintained so that the annual leave provision can be correctly and accurately determined.**

145. Effective January 2009, the Matrix system has been implemented in missions as the official and standard electronic time and attendance management tool. The system provides automatic accurate reports on the status-of-leave records for leave management and computation of end-of-service accrued leave. MONUSCO has provided training to the relevant staff of the Human Resources Section in the use of the Matrix system and has initiated clean-up action to update all leave balances through the attendance records. All leave requests in Matrix are now consistently updated on a monthly basis and reconciled with supporting documents. The Mission expects to complete the uploading and reconciliation of data into Matrix for national staff during the first quarter of 2011 to facilitate the accurate calculation of year-end leave balances.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: first quarter of 2011

Accounts receivable

146. **In paragraph 61, the Board recommended that the Administration ensure that MONUC takes appropriate measures to recover all long-outstanding accounts receivable.**

147. Reference is made to the Administration's comments in paragraph 19 above.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: full implementation is dependent on external factors

C. Budgeting, including results-based budgeting

148. **In paragraph 68, the Board reiterated its previous recommendation that the Administration should ensure that all missions take appropriate measures to ensure that all the indicators of achievement and outputs for the results-based-budgeting framework are formulated as specific, measurable, attainable, realistic and time-bound to facilitate monitoring and reporting.**

149. The measures implemented by the missions (UNMIS, UNAMID, and UNSOA) and the United Nations Logistics Base (UNLB) in setting clear and measurable indicators of achievement and outputs included application of lessons learned from the previous budget cycle to the framework for the 2011/12 financial period and the provision of training to the relevant staff. The United Nations Interim Administration Mission in Kosovo (UNMIK) stated that the results-based-budgeting framework for the 2009/10 budget proposal was developed during the middle of the UNMIK reconfiguration and, at that time, it was unclear to what extent and in what areas UNMIK would be able to continue to achieve these indicators. It was therefore jointly decided between the Department of Peacekeeping Operations and UNMIK to leave the indicators and outputs substantially unchanged and to review them during the preparation of the 2011/12 budget proposal, once the Mission's achievements in 2009/10 had been analysed. Accordingly, the 2011/12 budget proposal now includes modified indicators of achievement and outputs which are achievable. In its interim report issued during the fourth quarter of 2010, the Board of Auditors confirmed that UNOCI had implemented the recommendation.

Department responsible: Department of Field Support
Status: implemented
Priority: high
Target date: not applicable

150. **In paragraph 71, the Board reported that the Administration had agreed with its reiterated recommendation to ensure that UNMIK and UNMIL reinforce their information gathering and portfolio of evidence processes for results-based budgeting in all components.**

151. In its interim report issued during the fourth quarter of 2010, the Board confirmed that the recommendation had been implemented by UNMIK. UNMIL is adopting the systems in use at UNDOF and UNMIK in order to implement a results-based-budgeting database to standardize data collection. This project is expected to be implemented during the third quarter of 2011.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: third quarter of 2011

D. Procurement and contract management

Bidding time frame

152. **In paragraph 89, the Board reiterated its previous recommendation that the Administration should ensure that the Procurement Division and all missions comply strictly with the requirements of the Procurement Manual relating to the minimum time frames for the submission of proposals and responses to requests for quotations, invitations to bid and requests for proposals.**

153. Reference is made to the comments of the Administration in paragraph 69 above.

154. In addition, reference is made to section 9.9.7 of the Procurement Manual, in which it is stated "the procurement officer shall, to the extent possible, ensure that prospective vendors are given sufficient time to understand the solicitation documents and formulate the appropriate reply to said solicitation". With respect to short-term air charter bids (the specific case cited in the report), it may not be possible to offer the vendors more time to bid, since requests are made with short lead-times owing to operational requirements (e.g. rotation of deployment requisition is submitted three weeks before actual rotation).

155. Furthermore, considering that short-term air charter bids are not complex in nature, even the short time offered is sufficient for the interested vendors to submit their bid. It should not be concluded by the Board that the receipt of only a few bids in response to an exercise (despite an invitation to 87 vendors) is an indication of insufficient time given to bid. In most of these instances, the Procurement Division also received numerous letters acknowledging the invitation to bid but refusing to bid for many reasons, primarily non-availability or the inability to compete efficiently owing to geographic limitations.

156. In 2007, the Logistics and Transportation Section conducted a survey of registered vendors asking how many days should be allowed to prepare and respond to a bid for urgent requirements to start within 14 days and within 21 days. Vendors responded that the Procurement Division should allow in average of 4 to 5 days and 6 to 7 days, respectively. The invitations to bid for short-term passenger charters and the technical forms are standard, with only the specific requirements changed — the number of passengers to be rotated, the dates of the rotation, the airports of origin and destination and the passengers' baggage entitlements (cargo weight and volume). The aircraft operators utilize computerized software applications and can provide a schedule for each flight for each aircraft they operate in the region within a few hours. The copies of the aircraft documents that bidders have provided as part of the bid response are retained in the database by the Movement Control Section and the Aviation Transportation Section, which facilitates and reduces the time necessary for submission and revision of the documents.

157. The reason for the shortened bidding time in the case cited is due to exigencies that have been duly reviewed by the Headquarters Committee on Contracts and recorded in the minutes of their meetings. Furthermore, the vendor roster in the one case cited contained 87 registered vendors, which is more than sufficient to carry out the exercise in question.

Department responsible: Department of Management and Department of Field Support
Status: not accepted
Priority: high
Target date: not applicable

Premises occupied without valid contracts

158. **In paragraph 100, the Board reported that the Administration agreed with its recommendation that MONUC should seek ways to resolve the dispute between the Mission and the landlords to ensure that valid leases are in existence for premises occupied by the Mission.**

159. Reference is made to the comments of the Administration in paragraph 201 of the Board's current report (see also paras. 78 and 79 above).

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: full implementation is dependent on external factors

Rations contract

160. **In paragraph 107, the Board reported that the Administration had agreed with its recommendation to: (a) set up clear and unambiguous discount/surcharge terms in procurement contracts; and (b) claim the global discount based on the total number of troops supported.**

161. The Administration has submitted a response to the Board that it understands and satisfies the issues raised in this recommendation. With regard to the UNIFIL troop discount issue observed in the 2008/09 report, it should be noted that the issue has been resolved and the Mission has been properly credited by the vendor.

Department responsible: Department of Management and Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

Ex post facto cases

162. **In paragraph 112, the Board recommended that the Administration intensify its efforts to reduce the number of ex post facto cases submitted to the Headquarters Committee on Contracts for review.**

163. The Administration accepts this recommendation, and considers that the recommendation has been implemented as noted in paragraphs 164 to 167 below.

164. The Administration wishes to note that there are operational reasons for ex post facto cases, such as the safety or security of staff or exceptional conditions that the Secretariat faces that are beyond its control (force majeure, unrest, conflict, etc.), which dictate the situation with regard to procurement.

165. In addition, the timely processing of letters of assist, which represent 45 per cent of the 2009/10 ex post facto cases, is strongly influenced by the negotiations between the Department of Field Support and the troop-contributing country. An additional 13 per cent of the 2009/10 ex post facto cases relate to the earthquake in Haiti, and thus are considered exigency cases. The Administration further notes that, although the Board indicated an increase of 48 per cent in both the number and dollar value of ex post facto cases, the actual number of cases is only 15 per cent of the total number of cases reviewed by the Headquarters Committee on Contracts, and the value is only 6.4 per cent of the total value reviewed.

166. In regard to ex post facto reviews required because of contract management issues, the Procurement Division continues to work with the requisitioners through: (a) training; (b) discussion at the Chief Procurement Officer conference; (c) the development of the Contract Administration Tracking System (CATS); and (d) the automated reports issued to the requisitioners in order to minimize ex post facto cases.

167. The introduction of virtual meetings of the Headquarters Committee on Contracts with the missions and offices away from Headquarters should further reduce ex post facto cases.

Department responsible: Department of Management and Department of Field Support
Status: implemented
Priority: high
Target date: not applicable

Vendor management

168. **In paragraph 124, the Board reiterated its previous recommendation that the Administration should ensure that the requirements of the Procurement Manual with regard to vendor management are complied with at Headquarters and all missions.**

169. In its interim reports issued during the fourth quarter of 2010, the Board confirmed that UNDOF, UNMIK and UNOCI had implemented the recommendation. In addition, measures have been taken by the Procurement Division to address vendor management compliance at Headquarters, as outlined above, in the response to the recommendation in paragraph 89 of the Board's (A/64/5 (Vol. II)).

Department responsible: Department of Management and Department of Field Support
Status: implemented
Priority: high
Target date: not applicable

Vendor performance evaluation

170. **In paragraph 127, the Board recommended that the Administration ensure that all missions prepare the vendor performance reports and submit them to the Procurement Division on a regular basis.**

171. In its interim reports issued during the fourth quarter of 2010, the Board confirmed that UNDOF and the United Nations Mission for the Referendum in Western Sahara (MINURSO) had implemented the recommendation. MONUSCO has established a vendor management team tasked with the responsibility of ensuring that vendor performance evaluations are conducted in accordance with established procedures.

Department responsible: Department of Field Support
Status: implemented
Priority: high
Target date: not applicable

Liquidated damages and insurance coverage

172. **In paragraph 133, the Board reported that the Administration had agreed with the Board's reiterated previous recommendation to ensure that MINURCAT and UNAMID comply strictly with the requirements of the Procurement Manual in relation to the liquidated damages.**

173. MINURCAT withdrew the liquidated damages claim in exchange for a reduction in the prime management office costs during the first four months of the contract. UNAMID now applies the liquidated damages clause on a case-by-case basis in accordance with the Procurement Manual. Furthermore, procedural steps and timelines for applying liquidated damages within UNAMID have been spelled out to the concerned sections, including measures to be initiated by self-accounting units, the Procurement Section, the Contracts Management Section and the Finance Section. The Mission management has issued instructions to these sections clarifying their responsibilities in applying the liquidated damages clauses. To further strengthen consistency and coherence among the relevant components, a standard operating procedure will be finalized during the first quarter of 2011 for the relevant offices outlining further their responsibilities for the application of liquidated damages claims.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: first quarter of 2011

E. Expendable property

174. **In paragraph 141, the Board reiterates its previous recommendation that the Administration expedite its preparations for the recording of expendable property and disclose its value in the financial statements, and/or in the notes thereto.**

175. The Administration has intensified efforts to disclose expendable property in the financial statements as soon as possible. Reference is made to the comments of the Administration in paragraphs 50 to 54 above.

Department responsible: Department of Management
Status: in progress
Priority: high
Target date: second quarter of 2014

Physical counts and inventory records

176. **In paragraph 146, the Board reiterated its previous recommendation that the Administration should strengthen the management and control of expendable property by ensuring that accurate records are maintained, physical counts are periodically conducted, discrepancies are promptly investigated and corrective actions are promptly taken.**

177. The Administration addressed the need to strengthen the management and control of expendable property through the issuance of three directives on property management, as well as the Department of Field Support warehousing guidelines. In particular, the directive on property management issued by the Department in December 2009 introduced a key performance indicator to monitor the holdings of expendable property in stock, as part of the Department's property management performance measurement system. The key performance indicator enables self-accounting units to monitor the reconciliation of discrepancies between physical counts and the quantities recorded in the Galileo Inventory Management System. The results of the 2009/10 financial period confirm the positive trend in expendable property management observed during the last three years. The Department of Field Support, through the community of practice for property management, has disseminated field best practices in managing expendable property, such as the UNMIL guidelines entitled "six action points on expendables" and the UNIFIL standard operating procedure on prevention of theft and losses from warehouses. In January 2010, the Department of Field Support launched a project on strengthening mission inventory management through the establishment of a centrally supervised catalogue of expendable property. It is aimed at systematization and cleansing of expendable property data in the Galileo Inventory Management System, which will significantly strengthen the ability of missions to maintain accurate records and will better position the Department to meet the requirement for disclosure of expendable property in the financial statements. Reference is also made to the comments of the Administration in paragraphs 50 to 54 above.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: ongoing

Stock level management

178. **In paragraph 149, the Board recommended that the Administration ensure that MONUC and UNMIL monitor minimum and maximum stock levels in the database to ensure that they are maintained at the recommended levels.**

179. Reference is made to the comments of the Administration in paragraph 58 above.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: third quarter of 2011

F. Non-expendable property

Physical verification and discrepancies

180. **In paragraph 154, the Board reiterated its previous recommendation that the Administration should carry out full and complete physical verifications to support the amount of non-expendable property that is disclosed in the notes to the financial statements.**

181. Reference is made to the comments of the Administration in paragraphs 38 and 39 above.

Department responsible: Department of Management and Department of Field Support
Status: implemented
Priority: high
Target date: not applicable

182. **In paragraph 162, the Board reported that the Administration had agreed with its reiterated recommendation that all missions should promptly investigate the discrepancies relating to non-expendable property and take appropriate measures to ensure that their asset records are accurate and reliable.**

183. Reference is made to the comments of the Administration in paragraphs 39 and 40 above.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: ongoing

Delays in write-off and disposal of non-expendable property

184. **In paragraph 169, the Board reiterated its previous recommendation that the Administration should strengthen its monitoring of the write-off and disposal of non-expendable property at missions to ensure that appropriate measures are taken to expedite all pending write-offs and disposals.**

185. Reference is made to the comments of the Administration in paragraphs 44 and 45 above.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: ongoing

Stock ratios and surplus

186. **In paragraph 180, the Board reported that the Administration had agreed with its recommendation to: (a) review the non-expendable property at all active missions in order to ascertain the realistic quantities that should be held; (b) identify and declare surplus assets in the system; and (c) take appropriate measures to transfer all surplus assets to missions in need of them, or the United Nations Logistics Base, or to dispose of them as appropriate.**

187. Reference is made to the comments of the Administration in paragraph 49 above.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: third quarter of 2011

Fire prevention and safety

188. **In paragraph 183, the Board reported that the Administration had agreed with its recommendation that UNAMID should install fire pre-warning systems in all warehouses.**

189. UNAMID has installed fire extinguishers in its warehouses. It has installed fire detection systems in the Agricultural Research College Compound and installation at other Mission facilities is in progress.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: second quarter of 2011

G. Downsizing and liquidation

Downsizing at UNMIK

190. **In paragraph 187, the Board reported that the Administration had agreed with its recommendation to document the lessons learned from the UNMIK reconfiguration and incorporate them into operating policies.**

191. The Administration clarifies that the actions taken by UNMIK in the drawdown of the Mission were in line with the provisions of rule 9.7 of the United Nations Staff Rules. The criteria were explained to all staff members prior to the commencement of the drawdown exercise.

Department responsible: Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

H. Strategic deployment stocks

192. **In paragraph 195, the Board recommended that the Administration strengthen monitoring in respect of slow-moving strategic deployment stocks.**

193. The Administration has implemented a system of periodic monitoring of slow-moving strategic deployment stocks. As a requirement, UNLB now monitors and submits quarterly reports to the Logistics Support Division on slow-moving items.

Department responsible: Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

Issuance of strategic deployment stocks

194. **In paragraph 198, the Board recommended that the Administration ensure that UNLB issues items on a first-in-first-out basis to avoid possible deterioration and obsolescence of strategic deployment stocks.**

195. The Administration reiterates that it employs the inventory management best practice policy of first-in-first-out, so that the earliest acquired items in stock are dispatched first. The strategic deployment stocks are thereby rotated according to age to ensure that they have their full service life expectancy at the time of deployment. UNLB is now in full compliance with the first-in-first-out principle for the management of strategic deployment stocks.

Department responsible: Department of Field Support
Status: implemented
Priority: high
Target date: not applicable

Life expectancy

196. **In paragraph 201, the Board recommended that the Administration ensure that UNLB establishes a monitoring mechanism to prevent strategic deployment stocks from being held beyond their life expectancy.**

197. The Administration reiterates that the trauma kits that were the basis of the recommendation comprised both non-expendable and expendable property items, including medicines and bandages, which are rotated in accordance with an established schedule, or after the kits have been used in emergency situations. The kits deployed to UNAMID have been maintained in a state of readiness in the event of a medical emergency. The expendable elements of these trauma kits were shipped by the vendor to Brindisi and later transferred to UNAMID, resulting in the expiration of a number of expendable elements. The Department of Field Support has taken action with the equipment system contract vendor to ensure that when the strategic deployment stocks medical kits are deployed, they contain expendable items with a sufficient period of useful life remaining. All expired items in the trauma kits that form the fly-away component of strategic deployment stocks maintained in UNLB have been replaced.

Department responsible: Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

I. Contingent-owned equipment

Fuel consumption monitoring

198. **In paragraph 204, the Board recommended that the Administration develop measures to monitor fuel consumption of contingent-owned equipment.**

199. At missions, the standard usage rates of fuel for vehicles and generators, including those for contingents, are determined through periodic reports that are generated from the United Nations fuel calculator. Missions employ either the mission electronic fuel accounting system or trip tickets to monitor fuel consumption of vehicles. Log sheets are used to monitor the working hours and fuel consumption of generators. The Department of Field Support has issued the required guidance to the missions to ensure effective accounting for fuel.

Department responsible: Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

J. Vehicle fleet management

200. **In paragraph 236, the Board recommended that the Administration ensure that MONUC and MINURCAT make efforts to keep sufficient material for workshops to reduce the vehicle waiting period.**

201. Reference is made to the comments of the Administration in paragraphs 267 and 268 of the Board's current report (A/65/5 (Vol. II), chap. II). In its interim report issued during the fourth quarter of 2010, the Board confirmed that the implementation of the recommendation by MINURCAT had been overtaken by events.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: first quarter of 2011

K. Fuel management

Strategic fuel reserves

202. **In paragraph 244, the Board reiterated its previous recommendation that the Administration should ensure that all missions take steps to maintain a strategic fuel reserve.**

203. In its interim reports issued during the fourth quarter of 2010, the Board confirmed that MONUSCO, UNMIL and UNAMID had implemented the recommendation. At UNSOA, the installation of adequate fuel reserves was not possible during the 2009/10 financial period owing to the short-term nature of the initial fuel contract. Since July 2010, UNSOA has had a long-term fuel contract which requires a strategic fuel reserve of 1 million litres. The Mission confirmed that the contractor is currently being mobilized and the reserve should be in place during the first quarter of 2011.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: first quarter of 2011

Fuel consumption

204. **In paragraph 249, the Board reiterated its previous recommendation that the Administration should ensure that all missions strengthen their monitoring of fuel consumption patterns.**

205. In its interim reports issued during the fourth quarter of 2010, the Board confirmed that UNDOF had implemented the recommendation and that the implementation of the recommendation by MINURCAT had been overtaken by events. MINURSO has completed tank calibration and provided dipsticks for generators and vehicle tanks at four team sites and its logistics base. The replacement of all substandard tanks with flow meters and dipsticks to facilitate the monitoring of fuel consumption of generators is ongoing. UNMIT has issued formal guidance on the recording of fuel supplies and the personnel authorized to sign for fuel, particularly for deliveries for the refilling of generators. In recognition that there may not be engineering staff to record the supply of fuel in all locations, the Mission's standard operating procedure on United Nations-owned generator fuel control allows for an international staff member to sign for fuel deliveries in these locations. These measures have been implemented to allow for better control and management of fuel. In addition, periodic manual downloads of the carlog data allow the Mission to closely monitor the fuel consumption of its vehicles. The Department of Field Support has reminded UNSOA to monitor fuel consumption in accordance with established procedures and is following up this matter with the mission.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: fourth quarter of 2011

L. Rations management

Rations Manual

206. **In paragraph 255, the Board reported that the Administration had agreed with its recommendation to update the Rations Manual to reflect changes to the United Nations rations scale and food ordering methods.**

207. The working group updating the Rations Manual met in Brindisi in June 2010 and produced an outline of the draft of the Manual reflecting processes aligned with the new United Nations rations scale. The methodology for ordering, reporting and monitoring of food, based on a recipe-driven menu plan, has been completed. MONUSCO implemented such a system in August 2010; UNIFIL, UNFYCIP and UNDOF are scheduled for December 2010, UNAMID and UNMIS for March 2011, followed by MINUSTAH, UNMIT, MINURSO and UNMIL. Owing to the proposed changes in food standards, quality control and monitoring mechanisms resulting

from the food consultant's review of the United Nations rations scale, the Rations Manual is anticipated to be promulgated during the second quarter of 2011.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: second quarter of 2011

M. Air operations

Aviation budget

208. **In paragraph 275, the Board recommended that the Administration ensure that all missions address the underutilization of budgeted flying hours.**

209. Reference is made to the comments of the Administration in paragraph 97 above. In its interim report issued during the fourth quarter of 2010, the Board confirmed that MINURSO had implemented the recommendation.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: third quarter of 2011

Fuel costs recovery

210. **In paragraph 286, the Board recommended that the Administration ensure that: (a) UNMIL performs regular follow-ups on outstanding balances relating to recoverable fuel costs with air operators; and (b) UNMIS obtains reimbursement for non-revenue-flight fuel consumption.**

211. UNMIL advised that significant progress had been made in clearing the accounts receivable outstanding for more than one year. Of the $345,757 that was outstanding as of June 2009, $282,139 had been cleared. As previously stated to the Board, UNMIL now routinely monitors the accounts receivable from air operators to facilitate their recovery in a timely manner. In its interim report issued during the fourth quarter of 2010, the Board confirmed that UNMIS had implemented the recommendation.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: ongoing

Management and evaluation of air charter agreements

212. **In paragraph 292, the Board reported that the Administration had agreed with its recommendation that MONUC, in consultation with Headquarters, should strengthen measures for the management and evaluation of air charter agreements.**

213. The Administration is concerned that instances still exist where air operators' performance evaluations were not submitted to the Department of Field Support in accordance with established procedures. The Department of Field Support policy

directive is clear on the submission deadlines for the performance evaluation reports. The Department has reminded MONUSCO to strictly monitor and ensure that the evaluation reports are submitted as required.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: second quarter of 2011

N. Information and communications technology

Control management

214. **In paragraph 302, the Board recommended that the Administration ensure that all missions review the password access controls and make the necessary amendments to strengthen such controls.**

215. In its interim report issued during the fourth quarter of 2010, the Board confirmed that UNMIK and MONUSCO had implemented the recommendation. The current version of the SunSystem has the controls for enforcement of the requirements of periodic password change, minimum password length and mixed alpha-numeric passwords. The Department of Field Support has reminded all missions to apply the respective standard settings. Meanwhile, MINUSTAH informed that it has reinforced internal controls against unauthorized access to the SunSystem through the implementation of the Windows timed screen saver with password control, and users are prompted to change their passwords every 42 days, in line with Department policy.

Department responsible: Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

Policies and procedures

216. **In paragraph 311, the Board reported that the Administration had agreed with its recommendation that UNMIK and UNMIL should finalize the policies and procedures on the communications and information technology system.**

217. In its interim report issued during the fourth quarter of 2010, the Board confirmed that UNMIK had implemented the recommendation. UNMIL confirmed that 7 out of the 18 communications and information technology system policies and procedures were issued as of August 2010. Furthermore, the three policies and procedures requiring the action of Headquarters had been issued to the missions, including UNMIL. According to UNMIL, the remaining policies would be finalized during the first quarter of 2011.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: first quarter of 2011

Capacity-building

218. **In paragraph 315, the Board reported that the Administration had agreed with its recommendation that: (a) UNMIK should appoint new members to the Information and Communications Technology Review Committee; and (b) UNMIS should establish an Information Security Unit and designate the Information Security Coordinator, the Access Control System Administrator and the Security Systems Administrator.**

219. At UNMIK, the re-established Information and Communications Technology Review Committee held its first meeting in October 2009. Other meetings were held in August and November 2010. The Mission stated that the Committee would meet regularly, but on an as-needed basis. UNMIS has established the Information Security Unit within the Communications and Information Technology Section, with the arrival of its Information Technology Security Coordinator in October 2010. The Coordinator is performing the functions of the Access Control System Administrator and the Security System Administrator, pending the full staffing of the Information Security Unit.

Department responsible: Department of Field Support
Status: implemented
Priority: medium
Target date: not applicable

O. Human resources management

Vacancy and turnover rates

220. **In paragraph 324, the Board reported that the Administration had agreed with its reiterated recommendation that it should take urgent measures to fill vacancies so as to enable the missions to execute their mandates effectively.**

221. The Administration reiterates that it is implementing the new talent management system in the field. It is an approach that streamlines recruitment and considerably reduces lead times by centralizing most of the recruitment process and establishing right-sized rosters of highly qualified candidates who are ready to be deployed immediately upon request by the missions. Since implementation, a significant improvement in international staff vacancy rates has been evident in peacekeeping operations, from 28 per cent as at 30 June 2009 to 23.8 per cent as at 30 June 2010. Local staff vacancy rates demonstrated an even better improvement, from 29.5 per cent as at 30 June 2009 to 15.1 per cent as at 30 June 2010.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: ongoing

Recruitment lead times

222. **In paragraph 327, the Board reported that the Administration had agreed with its reiterated recommendation that all missions should take appropriate measures to reduce recruitment lead times.**

223. Reference is made to the comments of the Administration in paragraphs 223 and 224 of the Board's current report (A/65/5 (Vol. II), chap. II).

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: ongoing

Post classification

224. **In paragraph 332, the Board reported that the Administration had agreed with its recommendation that it should expedite all requests for classification and reclassification of posts at the various missions.**

225. Reference is made to the comments of the Administration in paragraph 228 of the Board's current report (A/65/5 (Vol. II), chap. II).

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: ongoing

Performance appraisal system

226. **In paragraph 337, the Board reiterated its previous recommendation that MONUC and UNMIL should implement procedures to ensure that performance appraisals are completed and signed off in a timely manner.**

227. Reference is made to the comments of the Administration in paragraph 235 of the Board's current report (A/65/5 (Vol. II), chap. II). In its interim report issued during the fourth quarter of 2010, the Board confirmed that MONUSCO had implemented the recommendation.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: third quarter of 2011

Leave management

228. **In paragraph 340, the Board reported that the Administration had agreed with its recommendation that it should ensure that all missions adhere strictly to the policy regarding the recording and monitoring of time and attendance and reconcile the attendance records kept by the human resources sections with those of the finance sections.**

229. Reference is made to the comments of the Administration in paragraph 145 above.

Department responsible: Department of Field Support
Status: in progress
Priority: high
Target date: first quarter of 2011

230. **In paragraph 341, the Board recommended that the Administration investigate all outstanding receivables relating to overpayments to peacekeeping staff members, with a view to recovery.**

231. The Department of Field Support has requested the concerned missions to reconcile all time and attendance data related to staff members who left the missions during the period under review, and this task has been completed. The Department is working with the missions to initiate actions that will trigger necessary recoveries of overpayments where applicable. The process of recovering involves many actors, as well as coordination between missions and Headquarters. It also involves the review of each case to ensure that those with negative balances have issued personnel actions placing concerned staff on special leave without pay and correcting the separation personnel action which will enable the Payroll Unit to establish the amounts of overpayments. Every effort is being made to complete this exercise by the second quarter of 2011.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: second quarter of 2011

232. **In paragraph 343, the Board reported that the Administration had agreed with its recommendation that it should ensure that MONUC updates leave records in a timely manner in the Matrix system and that sick leave transactions are duly approved so as to ensure accurate calculation of leave balances.**

233. Reference is made to the comments of the Administration in paragraph 145 above.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: first quarter of 2011

Induction training

234. **In paragraph 350, the Board recommended that the Administration ensure that civilian staff members complete their induction training before they commence operations.**

235. The Department of Field Support seeks the approval of the Department of Peacekeeping Operations for any exceptions to the requirement for personnel assigned to peacekeeping missions to attend induction training prior to deployment. Record keeping is being enhanced in order to ensure follow-up in those few cases where exceptions are granted for urgent operational reasons. With the advent of the electronic talent management system, this recommendation is expected to be implemented during the second quarter of 2011.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: second quarter of 2011

Post-training management

236. **In paragraph 357, the Board reported that the Administration had agreed with its recommendation that it should ensure that all missions strengthen their documentation and monitoring of training courses undertaken.**

237. In its interim reports issued during the fourth quarter of 2010, the Board confirmed that the implementation of the recommendation by MINURCAT had been overtaken by events and MONUSCO had implemented the recommendation. UNLB confirms that a draft training centre standard operating procedure is currently under consideration and is expected to be issued during the first quarter of 2011.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: first quarter of 2011

P. Quick-impact projects

Project implementation

238. **In paragraph 363, the Board reiterated its previous recommendation that the Administration should ensure that all missions take appropriate measures to ensure that quick-impact projects are completed within specified time frames.**

239. In its interim reports issued during the fourth quarter of 2010, the Board confirmed that UNIFIL and UNMIS had implemented the recommendation. The Department of Field Support clarifies that the guidelines for quick-impact projects issued to the missions are not mandatory. However, a review of the guidelines is under way which will take into account the recommendations of the oversight bodies.

240. UNMIL has reviewed its identification and selection processes for projects to ensure that only projects that can be implemented within the specified time frames are funded. The Mission has also established a short list of competent and performing implementing partners. The Mission has been working with its Government counterparts and United Nations agencies in the identification of priority projects and maintains an updated list of funded and non-funded projects at all times, so as to speed up the identification process. Over 20 per cent of funded projects are non-construction-related, which is an improvement over the previous fiscal year when they represented 4 per cent. The delays in the implementation of projects are essentially due to the extremely poor road infrastructure outside of the capital. The selection of projects has been reviewed to ensure that only projects within fairly accessible areas are considered for funding. UNMIL is increasingly working with implementing partners on the clearance of long-outstanding accounts receivable. On 29 September 2010, the Mission issued letters to contractors that had delayed the implementation of their projects. The Solicitor-General of Liberia has expressed his support and readiness to work with the Mission to have projects completed and funds accounted for promptly.

241. MONUSCO is identifying ways in which problems, including underspending and project delays, could be addressed. UNAMID has undertaken an overall evaluation of the performance of quick-impact projects for the 2009/10 financial period and further employed a consultant to assess and recommend concrete

measures towards addressing issues related to the implementation of quick-impact projects. In line with the recommendations of the consultant, UNAMID has recruited a seasoned administrative staff member who is currently focusing on quick-impact projects and related issues, including those raised by the Board. Furthermore, the Mission has conducted a compliance review and has launched an annual evaluation of the quick-impact projects, which is expected to be completed by 30 June 2011. The executing agency capacity assessment form has been developed and circulated to quick-impact project focal points. The form was introduced in October 2010. In addition, the Mission has reviewed and amended guidelines and its quick-impact project cycle flowchart, as recommended, facilitating the effective implementation of quick-impact projects throughout the Mission area.

Department responsible: Department of Field Support
Status: in progress
Priority: medium
Target date: second quarter of 2011

Q. Internal audit functions

Implementation of the audit plan

242. **In paragraph 372, the Board reiterated its previous recommendation that the Office of Internal Oversight Services should continue to monitor the workplans of the resident auditors carefully so as to ensure that audits are executed and finalized in a timely manner.**

243. The management of the Internal Audit Division holds monthly meetings with resident audit offices, and the Chief of the Peacekeeping Audit Service regularly interacts with resident auditors to closely monitor the implementation of the workplans.

Department responsible: Office of Internal Oversight Services
Status: implemented
Priority: medium
Target date: not applicable

Internal audit reports

244. **In paragraph 377, the Board reiterated its previous recommendation that the Office of Internal Oversight Services should ensure that the resident audit offices observe the deadline for issuing audit reports, or revise the estimates of completion times in line with realistic and professional targets.**

245. The recommendation has been implemented and will continue to be implemented by further improving audit planning to establish more realistic milestones and more closely monitoring individual audit plans.

Department responsible: Office of Internal Oversight Services
Status: implemented
Priority: medium
Target date: not applicable